



**NORTH AMERICAN CAR CORPORATION**

33 West Monroe  
Chicago, IL U.S.A. 60603  
Telephone 312.853.5000  
Telex #255222

RECORDATION NO. 13070 Filed 1425

APR 27 1981 -3 00 PM

INTERSTATE COMMERCE COMMISSION

April 23, 1981

1-147A150

No.

Date APR 27 1981

Fee \$

50.00

ICC Washington, D. C.

Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

*New Number*  
Re: Section 11303 Filing: Conditional Sale Contract, dated as of March 31, 1981 ("CSA"), between North American Car Corporation, 33 West Monroe Street, Chicago, Illinois, 60603 ("Seller"), and Chaparral Energy, Inc., P.O. Box 4656, Mt. View, California, 94040 ("Purchaser").

Dear Mr. Secretary:

Enclosed for recording under Section 11303 of the Interstate Commerce Act are executed counterparts of the above-described CSA.

Under the CSA, Seller conditionally sells to Purchaser the Railroad Equipment described therein, retaining title thereto to secure performance of the obligations of Purchaser under the CSA.

Also enclosed is a check in the amount of \$50.00, as the recording fee for the CSA.

Pursuant to the Commission's rules and regulations for the recording of certain documents under Section 11303 of the Interstate Commerce Act, you are hereby requested to duly file two of the enclosed counterparts for record in your office and to return the remaining counterparts, together with the Secretary's Certificate of Recording, to the messenger making this delivery.

If you have any questions, please contact me.

Very truly yours,

James M. Gillespie  
Attorney

JMG/tp

Enclosures

RECEIVED  
APR 27 2 51 PM '81  
FEE OPERATION BR.  
I.C.C.

# Interstate Commerce Commission

Washington, D.C. 20423

4/27/81

## OFFICE OF THE SECRETARY

James M. Gillespie, Atty  
North American Car Corporation  
33 West Monroe  
Chicago, Illinois 60603

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 4/27/81 at 3:00Pm, and assigned recordation number(s) . 13070,

4161-BB  
4761-M  
4965-Q  
5210-L  
5335-N  
5611-L  
5818-I  
6235-L  
6554-G  
6592-F  
7068-H  
7495-D  
7497-B

Enclosure(s)

Sincerely yours,

*Agatha L. Mergenovich*  
Agatha L. Mergenovich  
Secretary

## CONDITIONAL SALE CONTRACT

APR 27 1981 -3 00 PM

INTERSTATE COMMERCE COMMISSION

North American Car Corporation, a Delaware corporation with its principal place of business at 33 West Monroe Street, Chicago, Illinois 60603 (hereinafter the "Seller"), hereby agrees to sell; and Chaparral Energy, Inc., a California corporation with its principal place of business at P.O. Box 4654 Mt. View, California 94040 (hereinafter the "Purchaser"), hereby agrees to purchase; in each case on the terms and conditions herein contained, the following described equipment:

Eight Class 105A300W, 100-ton, 34,000 gallon capacity railroad tank cars, identified by Seller's serial numbers 35542-35549.

The Purchaser agrees to pay to Seller a purchase price for said equipment of \$440,000, principal amount, together with interest thereof, payable as follows:

- a) Purchaser will make principal installment payments of \$110,000 each to Seller on or before the last days of June, September and December, 1981;
- b) Purchaser will pay to Seller, on or before the last day of each calendar month, an amount equal to interest at the rate of 11.56% per annum on the principal balance outstanding for each such respective calendar month beginning with an initial interest payment on April 30, 1981;
- c) All amounts not paid when due, including (to the extent permitted by law) overdue amounts of principal and interest, shall bear interest until paid at a Post-maturity Rate equal to the greater of 15% per annum and an annual rate of interest 3% in excess of the prime rate of interest from time to time charged by First National Bank of Chicago, all such interest payable at the Post-maturity Rate being payable to Seller upon its demand;
- d) Purchaser will make a final payment of all amounts of principal, interest and Post-maturity Rate interest due hereunder, and will perform and discharge all of its other obligations hereunder, on or before March 31, 1982;
- e) Purchaser will make all payments hereunder to Seller not later than the time provided, at Seller's offices specified above, in immediately available funds.

Title to said equipment and any replacements, additions and accessions thereto shall remain in Seller or Seller's assigns, irrespective of any retaking and redelivery thereof to Purchaser, until the indebtedness due hereunder is fully and timely paid in lawful money of the United States in compliance with the foregoing and until all other obligations hereunder are fully performed, at which time only shall ownership pass to Purchaser. Said equipment shall remain chattels and personal property at all times and shall not become part of any realty or freehold.

Purchaser's principal place of business is as given above, and Purchaser agrees to notify Seller by registered mail at Seller's address given above at least ten days before changing the location of its principal place of business.

*270* *AB* Purchaser agrees to execute additional documents evidencing this agreement if it shall become necessary to protect seller's rights hereunder.

~~Purchaser further agrees to execute any documents including a new agreement containing terms substantially similar to this agreement, if Seller deems it necessary in order to protect its rights and priority after such removal.~~ Purchaser agrees that the equipment will not be used for any unlawful purpose. *AB* *270*

Purchaser has inspected the equipment and agrees that it is in good working order and condition and Purchaser further agrees to maintain said equipment in good and efficient working order, condition and repair (reasonable wear and tear alone excepted) and shall provide and pay for, at Purchaser's expense, all such repairs, replacements, parts, supplies, labor and tools as shall be necessary to keep and maintain the equipment in first class mechanical condition and repair and in such mechanical condition as is adequate to comply with ICC regulations and laws of any state in which the equipment is operated. Seller shall be accorded free access to Purchaser's premises at all reasonable times to inspect any of the equipment for any purpose. Purchaser agrees at all times until the indebtedness hereunder is fully paid and satisfied, to keep said equipment insured at its expense against loss by fire, theft and accidental physical damage, in favor of Seller and Seller's assigns, the insurance policies to be in such form and placed with such companies as are acceptable to Seller and which policies shall provide for the giving by the insurance company to Seller of at least 16 days advance notice of any intended cancellation of such coverage. Purchaser shall furnish insurance certificates to Seller evidencing such insurance coverage. Purchaser shall promptly pay all taxes, including documentary stamp taxes and intangible stamp taxes, assessments, registration and license charges, recording or filing fees and other public charges of every character due with respect to this agreement or said equipment or levied or assessed thereupon, and shall promptly satisfy all liens and encumbrances against said equipment. If Purchaser fails to insure the equipment as aforesaid, Seller may at its option insure same, Purchaser to pay the standard premium charge, Seller to pay any additional premium required by its adjusted experience premium and Seller to retain any return premium resulting from its adjusted experience premium. Any standard premium charge so paid by Seller and all sums paid by Seller in discharge of taxes, including documentary stamp taxes and intangible stamp taxes, assessments, registration and license charges, recording or filing fees, public charges, liens and encumbrances with respect to this agreement or said equipment shall be and become added to this agreement and shall immediately, without demand, be due and payable by Purchaser and, if not immediately paid by Purchaser, shall accrue interest at the highest contractual rate permitted by law. The proceeds of any insurance shall, at Seller's option, be applied toward the replacement or repair of the goods or payment of the obligations secured thereby. Purchaser directs any insurance company to make payment direct to Seller and appoints Seller as its attorney-in-fact to endorse any draft.

If at any time Purchaser should become insolvent, or make or attempt or agree to make any general assignment for the benefit of creditors, or if any bankruptcy proceedings are at any time commenced either by or against Purchaser, or if Purchaser disposes of or encumbers any or all of said equipment or attempts to do so, or if for any reason or cause any or all of said equipment is attached or subjected to lien of any kind, or if Purchaser shall fail to make any of the payments herein provided or fail to perform any or all of the other provisions hereof, either in the manner or within the time herein specified, or both, then in any one or more of such cases, and without any demand or notice whatsoever to Purchaser, and without any writing or other formality, or particular act or conduct being required of Seller, at any time or at all, other than those specifically required by law and which under the law cannot be waived by Purchaser, Seller may in its sole discretion and at its option: Declare all unpaid amounts immediately due and payable and sue therefor without passing title to the equipment and without waiving Seller's title to the equipment or Seller's right to retake the equipment or to exercise any other remedy reserved to Seller hereunder or provided by law; or retake immediate possession of said equipment, remove the same to Seller's address shown above, or to such other place as Seller may deem most safe and convenient, and resell the same at such place or wherever else is deemed most convenient at one or more private or public sales at such time or times, and in such manner and under such conditions as Seller may deem advisable, with or without the said equipment being present (at which sale Seller or Seller's assigns may be purchaser and which sale may be for cash and/or credit and/or goods); and after deducting all lawful expenses (including but not limited to expenses of retaking, repairing, holding and reselling said equipment, together with reasonable attorneys fees and court costs incurred therein, and the actual amount of any sales commission incurred by Seller in connection with such sale not to exceed 10% of the sale price, or such of these as are permitted by law), credit the net proceeds thereof to the unpaid balance due under this agreement, and Purchaser agrees to pay Seller or Seller's assigns any difference or deficiency remaining due hereunder after such sale is completed and the net proceeds so applied, provided, however, that if the

net proceeds of such sale exceed the unpaid balance under this agreement, such excess shall be paid to Purchaser; or retake immediate possession of said equipment, in which event, at Seller's option (and still without any notice, declaration, formality or other particular act or conduct being required of Seller other than those specifically required by law and which under the law cannot be waived by Purchaser), all of Purchaser's right, title and equity in, to and under said equipment and this agreement shall cease and terminate, and Seller shall forthwith be released from all obligations to transfer title or possession of said equipment to Purchaser, and all sums theretofore paid by Purchaser hereunder shall be and remain Seller's property, not as a penalty but as part compensation for Purchaser's prior use of said equipment and for the depreciation thereof. In addition to the remedies specifically provided for under this agreement, Seller may at its option take advantage of any additional remedies available under the applicable laws and statutes, provided always that Seller shall abide by and follow all remedies or procedures which are mandatory by applicable laws and statutes. Pursuant to the foregoing, Purchaser hereby promises, covenants, agrees, warrants and represents: That Purchaser shall yield and surrender possession of said equipment to Seller or Seller's assigns promptly upon demand; and that any such retaking of possession of said equipment by Seller or Seller's assigns may be done or effected, with or without legal process, wherever the same may be found and without any liability to Seller, Seller's agents, employees, or assigns for trespass, from which liability Purchaser hereby expressly agrees to hold Seller, Seller's agents, employees and assigns forever free and harmless; and Seller may take possession of any article or articles in said equipment and Purchaser agrees to give Seller notice by registered mail within 24 hours after Seller retakes possession of said equipment of any claim or interest in the articles, and failure to do so shall constitute a waiver and a bar to any subsequent claim for the return of any of said articles, and Seller may hold and dispose of said articles in the same manner as the equipment, and Purchaser waives, on his own behalf and agrees to indemnify and save harmless the Seller against any claims for damages by reason of the taking, storage or sale of any such article or articles; and that in the event of any delinquency in the payment of any one or more installments hereunder, interest on each past due installment shall accrue after its due date at the highest rate permitted by law, or, if not permitted by law, Purchaser shall pay Seller or Seller's assignee delinquency and collection charges at the highest lawful rate; and then in the event of any such delinquency, Purchaser shall pay Seller or Seller's assignee all reasonable collection expenses incurred or paid by Seller or Seller's assignee, including attorney's fees, if referred to an attorney not a salaried employee of the holder of this contract for collection, and court costs, if permitted by law. If any action or litigation or proceeding is at any time brought by Seller against Purchaser, or by Purchaser against Seller, in which any of the rights, interests, liabilities and obligations of Seller or Purchaser, or both Seller and Purchaser, under this agreement shall in any way be or become an issue, and if Seller shall prevail in whole or in part therein, then Purchaser shall pay to Seller on demand Seller's reasonable attorney's fees, costs and reasonable additional expenses incurred therein, if permitted by law, and in every case in which Seller recovers judgment therein, such attorney's fees, costs and expenses may be made and become a part of such judgment. If at any time Seller shall deem it necessary, in order to protect its rights and/or priority under or by virtue of this agreement, to institute or intervene in any litigation or proceeding, or if Seller shall be made a party to any litigation or proceeding in any way involving this agreement, the said equipment, or Seller's or Purchaser's respective rights hereunder or if Seller shall be required, or deem it necessary in order to protect its rights hereunder, to respond or answer to, compromise, settle or negotiate for the settlement, or compromise of any claim or demand by any person which is or may become a lien upon all or any part of said equipment, including claims for taxes or other public charges by any state or bona fide political entity, then Purchaser agrees to promptly pay and reimburse Seller for all costs thereof, together with reasonable charges and expenses, including attorney's fees, if permitted by law, incurred or paid by Seller or imposed upon Seller as a result thereof or in connection therewith.

This agreement is not assignable by Purchaser except by and with the written consent of Seller and/or Seller's assigns, and all of the terms and conditions herein contained shall apply to and bind Purchaser's heirs, executors, administrators, successors, assigns and legal representatives and shall inure to the benefit of Seller's successors and assigns. Seller's acceptance of any installment or payment after it or the full amount hereof may have become due and payable hereunder or, except as provided therein, the granting of renewals or extensions shall not

be deemed to alter or affect Purchaser's obligations or Seller's rights hereunder. Waiver or condonation of any breach or default shall not constitute a waiver of any other or subsequent breach or default. Purchaser admits notice of Seller's intended assignment of this agreement and agrees to settle all claims against Seller, directly with Seller. Seller hereby agreeing to remain responsible therefor.

It is understood and agreed that Purchaser may be required to give its promissory note or notes or trade acceptances for the installment payment due hereunder, but that such notes or trade acceptances shall merely be evidence of Purchaser's contractual obligations hereunder and shall not be given by Purchaser nor accepted by Seller as payment thereof or any part thereof or in lieu of any part of Purchaser's contractual obligation hereunder or as a waiver of any of the express terms hereof.

Any monies hereafter paid to Seller by Purchaser or on Purchaser's behalf may be applied by Seller to the installment or obligation hereunder earliest in date of maturity or longest overdue, or upon any other obligation or obligations (secured or unsecured) then due to Seller from Purchaser upon or in connection with any other separate and distinct transaction or transactions in Seller's sole discretion and without the necessity of notice, election, or proof, and Purchaser hereby expressly waives any right Purchaser may have, insofar as permitted by law, to make or manifest any binding direction upon or to Seller as to the manner of application of such payment of such monies other than as herein provided.

Any notice provided for in this agreement or by law, to be given to Purchaser, addressed to Purchaser's last known address, shall be conclusively deemed to have been given and received by Purchaser on the day the same was mailed.

It is understood that Seller or Seller's assigns shall not be bound by any oral agreements, guarantees, representations or warranties, past, present or future, representing said equipment or Purchaser's obligations hereunder, not contained in this agreement which Purchaser has read and understands, and that future modifications hereof may be made only in writing signed by Seller. Seller may correct patent errors herein. Purchaser represents that no credit except that set forth herein has been made or is to be made.

The risk of loss of said equipment shall be on the Purchaser. The loss, injury or destruction of the equipment shall not release Purchaser from any of Purchaser's obligations hereunder. Purchaser agrees to assume all responsibility and all liability arising from the possession, use or operation of the equipment either for negligence or otherwise, by whomsoever used or operated and agrees to indemnify and save Seller harmless from all claims of all persons and entities, arising out of or in any manner connected with the possession, use or operation of the equipment described above.

Purchaser expressly waives all exemptions and Homestead laws.

Time is of the essence of this agreement. Purchaser, if more than one person or entity, agrees that the obligation to perform each of the conditions and provisions of this agreement shall be joint and several.

It is agreed that each condition and provision contained in this agreement shall be divisible and separate from all other conditions and provisions, and if any conditions or provisions are prohibited by law, it is the express intention of the parties hereto that such conditions or provisions shall be inoperative without impairing or invalidating any other condition or provision.

This agreement may be executed, acknowledged and delivered in any number of counterparts each of which shall be deemed to be an original.

All rights of the Seller in, to and under this agreement and in and to the equipment shall pass to and may be exercised by any assignee thereof. The Purchaser agrees that if the Seller gives notice to the Purchaser (a) of the intended assignment of said rights and thereafter such an assignment is made or (b) of such assignment having been made, then, in either event, the liability of the Purchaser to the assignee shall be immediate and absolute, and the Purchaser will not set up any claim against the Seller as a defense, counterclaim or set-off to any action brought by any such assignee for the unpaid balance owed hereunder or for possession of the goods.

In addition to the purchase price of the equipment, Purchaser shall pay Seller in cash, on demand, for any local, state or federal taxes (other than taxes based on net income) or licenses including penalties, interest, and expenses in connection therewith, levied or imposed upon and paid by Seller with respect to, or measured by the sale of, use, payment, shipment, delivery or transfer of title to such equipment under any law, rule, regulation, or order of any governmental authority.

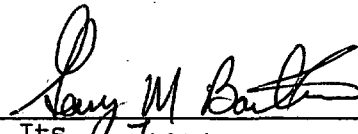
This agreement is entered into, and shall be governed by and construed in accordance with the substantive laws of, the State of Illinois.

It is understood and agreed that the sale of the equipment is on an "AS IS" and "WHERE IS" basis, and Seller neither assumes or authorizes any person to assume for it any liability of any kind whatsoever in connection with such sale. It is further understood and agreed that Seller shall not be liable for any indirect or consequential damages of any kind whatsoever.

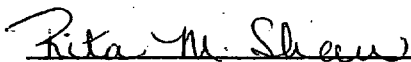
IN WITNESS WHEREOF, Purchaser has caused this Agreement to be signed by its duly authorized officers as of the thirty-first day of March, 1981.

PURCHASER:

CHAPARRAL ENERGY, INC.

By   
Its Treasurer.

ATTEST:

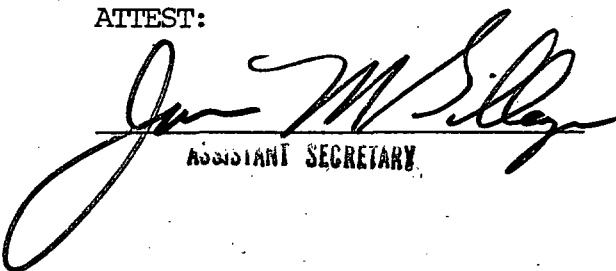


SELLER:

NORTH AMERICAN CAR CORPORATION

By   
Its Vice President

ATTEST:

  
ASSISTANT SECRETARY

STATE OF ILLINOIS )  
 )  
COUNTY OF COOK )

On this 25th day of March, 1981, before me personally appeared Robert N. Seoball, to me personally known, who, being by me duly sworn, says that he is a Vice President of North American Car Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was on March 25, 1981, signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

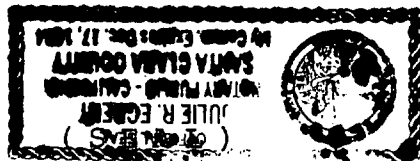
Lara Pruitt  
Notary Public

( S E A L )

My Commission Expires:  
My Commission Expires March 26, 1983

~~STATE OF ILLINOIS~~ )  
~~STATE OF CALIFORNIA~~ )  
~~COUNTY OF COOK~~ )  
County of Santa  
Clara

On this 26th day of March, 1981, before me personally appeared Gary H. Baxter, to me personally known, who, being by me duly sworn, says that he is Secretary/Treasurer of Chaparral Energy, Inc., a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said corporation and that said instrument was on March 26, 1981, signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



My Commission Expires:

DEC. 17, 1984

Julie R. Egan  
Notary Public



LIBRARY  
PUBLIC  
CITY OF BIRMINGHAM

